

## Marinas

### Target Market Statement

#### Product Type

This insurance product provides protection for customers domiciled anywhere in the world, excluding sanctioned territories, who require insurance coverage tailored to the unique risks associated with running marinas. This includes liabilities arising from mooring, boat storage, boat handling, fuelling, and the operation of marinas.

#### Characteristics of the target market (who is the product designed for?)

This product is designed for customers involved in the following sectors:

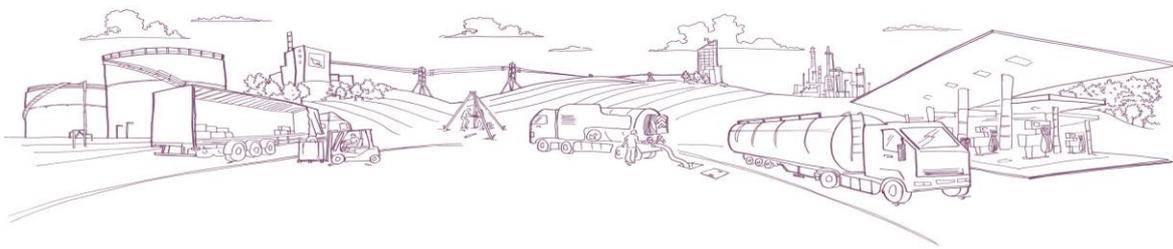
- **Marina Operators:** The management of marinas, docks, and other marine installations where boats are stored, moored, fueled and serviced.
- **Boat Repairers and Maintenance Providers:** Repair, maintenance, and refitting. This also includes temporary removal of boat machinery or equipment for repair.
- **Yacht Clubs and Sailing Clubs:** The hosting of regattas and sailing events, as well as those providing mooring and storage.
- **Boatbuilders and Vessel Construction:** The construction of vessels, from the early stages of building through to sea trials and final delivery.
- **Marine Service Providers:** The provision of auxiliary services to boat owners, such as water, electricity, fueling, and waste disposal services, as well as hauling and launching operations.
- **Marine Equipment Handlers:** The use of heavy equipment, such as cranes, trailers, and hoists, to handle boats and marine-related goods.
- **Marine Trades Exhibitors:** The display of boats, equipment, or marine-related products.
- **Marine Businesses Involved in Transportation:** The transportation of boats, marine goods, or related equipment by land, water, or air.

Cover is provided to customers with annual turnover up to £25 million or local currency equivalent.

#### Objectives, needs and interests of the target market (considering the key features and benefits of the product)

Customers will benefit from the following features:

- **Comprehensive Liability Coverage:**
  - **Third Party Public Liability:** Cover for legal liability of the customer arising from accidents causing bodily injury or property damage to third parties, including removal and disposal costs of damaged third-party property.



- **Marina Operators Legal Liability:** Cover for legal liability of the customer arising from the operation of marinas, such as boat mooring, storage, lifting operations, fuelling and the movement of boats.
- **Boat Repairers Legal Liability:** Cover for liability of the customer arising from boat repair, maintenance or refit work, including test trips within 200 nautical miles of the premises.
- **Yacht Club Regatta Legal Liability:** Cover for liability of clubs and club members during regattas.
- **Property Damage Coverage:**
  - **Own Property Damage:** Cover for all risks of physical loss or damage to insured property such as buildings, handling equipment and marine installations.
  - **Vessels Under Construction:** Cover for loss or damage to vessels during the construction process, including salvage, cleanup and launch operations.
  - **Own Vessels:** Cover for loss or damage to vessels owned by the customer, including reasonable salvage and inspection costs.
- **Business Interruption Coverage:**
  - Cover for lost income and extra expenses incurred during downtime caused by property damage, blocked access or failure of utilities.
- **Additional Coverages:**
  - Cover offered for first party clean up costs, firefighting expenses, glass and documents.

Specialised extensions can be offered for sudden and accidental pollution liability and club members' liabilities.

### Who is this product not designed for?

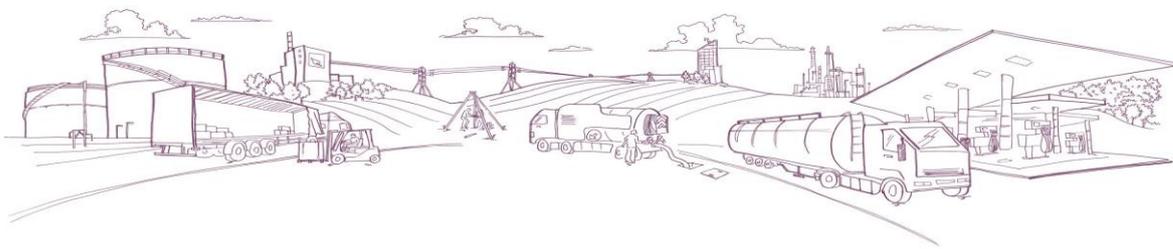
This product is not targeted to:

- Any customer domiciled within a sanctioned territory.
- Customers with annual turnover above £25 million or local currency equivalent.
- Non-Marine businesses: Companies or individuals whose operations are unrelated to the marine industry, such as those in retail, hospitality, or manufacturing sectors outside of marine equipment or vessels.
- Individual boat owners: Recreational boat owners seeking personal coverage for their private vessels.
- Manufacturers and suppliers unrelated to marine trades.
- Marine surveyors or engineers.

### How do we expect this product to be distributed?

This product should be sold with the active assistance and guidance of an insurance intermediary to select the appropriate level of cover. The product will only be distributed through brokers to customers with whom Pen has an agency and not directly by Pen to customers.

This product is suitable to be distributed via a variety of intermediated sales channels, such as face to face, telephone, email, or by postal application.



Consideration should be given to the vulnerability of customers by the intermediary and provide any appropriate support they may need.

### **What are the distributor value considerations?**

We expect all distributors in the chain to consider the following when selling Pen's products:

- The impact on product value of offering other products alongside this one, especially those with proportionally greater remuneration. For example, an ancillary product, elements of which may duplicate existing cover, or premium finance charged at an elevated rate of APR.
- Additional commission, fees or charges added as part of distribution processes must be proportionate to the service provided, in line with those charged elsewhere, and not affect the overall value offered by the product.
- Distributors must ensure there is no duplication of cover as a result of any add-on products sold where appropriate cover is already provided by the policy.
- Distributors should consider the demand and needs of the customer and local Consumer Duty requirements where applicable when dealing with customers.

### **Scope**

This document is intended to provide an indicative summary of the target market for this product and is not a summary of coverage. Please refer to separate policy documentation for full details of the coverage provided by the product.

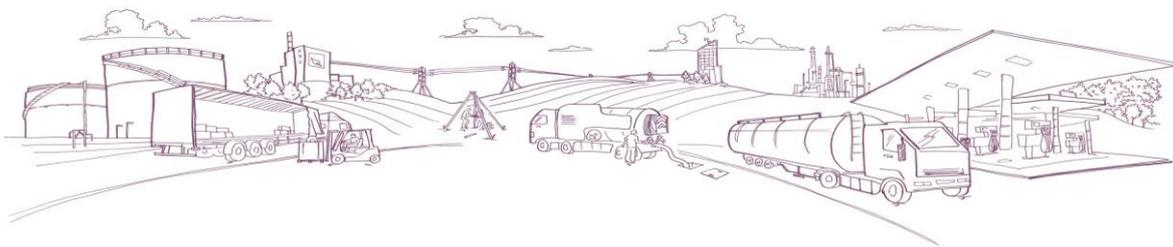
### **Product Approval Process**

Pen has a product approval process in place to ensure that there is appropriate oversight of all products where Pen is either a co-manufacturer or a distributor. The process includes a risk assessment process where due consideration is given to the impact of the product on the target market and the value of the product.

A diagram of Pen's product approval process can be found on the Pen website [here](#).

### **Important Information**

This target market statement should be used by all (co-)manufacturers and distributors of this product. (Co-)manufacturers and distributors should not create their own variation of this document. Where any party using this document has concerns about the accuracy or completeness of the information included, this should be raised to Pen urgently for discussion.



### Product Fair Value Outcome – Methodology

Pen has completed Fair Value Assessment work on products we co-manufacture. This is based on groupings of products which may be similar in features and are intended to be distributed to similar target markets.

This Product Fair Value Outcome Statement is not intended to replicate our Fair Value Assessments but sets out the approach taken and the outcome of the assessment.

### Distributor Remuneration

Pen agrees commission rates with each distributor and as part of the fair value assessment process has requested details of any additional fees that may be added in the distribution chain. The fee details received have been analysed and if Pen considers these could impact the value of the product this would be raised directly with distributors.

All distributors should be able to:

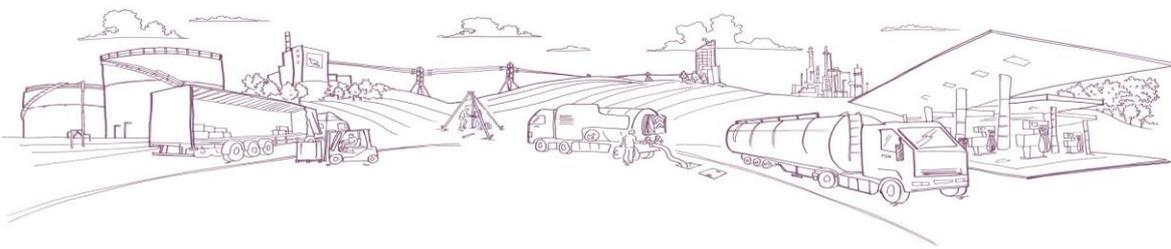
- Confirm annually that the commissions and fees they charge are reasonable relative to the service(s) they provide and the total cost of the product to the customer; and
- Justify that commissions and fees they charge are fair and support the intended value of the product.

### How Pen Assesses Value

Pen's product governance and oversight process requires a full review of all product groups at least annually to determine if the product offers fair value to the customer.

These reviews consider the following areas:

Target market	<ul style="list-style-type: none"> <li>• Target market reviewed to ensure the product meets the needs of the customer and will continue to do so for the life of the product</li> <li>• Identify the impact on vulnerable customers where applicable</li> </ul>
Distribution strategy	<ul style="list-style-type: none"> <li>• Appropriateness of the distribution channel, services offered and remuneration</li> <li>• Remuneration does not negatively impact the overall value offered by the product</li> </ul>
Market assessment	<ul style="list-style-type: none"> <li>• Market scrutiny to ensure the product aligns with current market trends</li> </ul>
Product design/lifecycle	<ul style="list-style-type: none"> <li>• Pricing</li> <li>• Regulatory requirements</li> <li>• Fees and charges</li> <li>• Product documentation</li> <li>• Performance of the product</li> <li>• Product changes</li> </ul>



Customer journey	<ul style="list-style-type: none"> <li>• Quality Assurance</li> <li>• Feedback from distribution</li> </ul>
Claims	<ul style="list-style-type: none"> <li>• Frequency and trends</li> <li>• Loss ratio trends</li> </ul>
Complaints	<ul style="list-style-type: none"> <li>• Feedback is reviewed to ensure the product continues to offer good benefit for customers</li> <li>• Reasons for complaints and volumes</li> <li>• Outcomes of complaints: whether they are upheld, not upheld</li> <li>• Identification of trends and root causes</li> <li>• Redress payments: volume and timescales</li> <li>• Financial Ombudsman Service: volume and outcomes</li> </ul>
<b>Fair Value Summary</b>	
<p>Pen has considered all relevant factors, including the total price paid by the customer, value MI, distribution and other considerations in this product design.</p> <p>Pen is satisfied that the product continues to provide fair value to customers and is suitable to continue to be distributed to the identified target market.</p>	

**Valid From**  
31/03/2025

**Next Review Date**  
On or before 31/03/2026

(ID ref: 103)